(iii) Sales-tax.

455. This is the fourth year of the introduction of sales-tax.

456. As the dealers had not yet fully understood provisions dealing with their obligation to the department contained in Article 286 of the Indian Constitution, it was brought home to them by enforcing the provisions of Section 20 of the Act.

457. The number of Deputy Commissioners' Divisions remained at two and the Sales-tax Officers' Circles at 11. The re-organisation of the Department was given effect to from 28th May 1951. The 17 Assistant Sales-tax Officers' Circles were re-distributed into 30 sub-circles and the posts of 10 Sales-tax Inspectors were abolished.

458. Important changes that were made in the working of the Act and the Rules during the year were :—

(1) Sections 22 and 24 of the Mysore Sales-tax Act were amended by the Mysore Sales-tax (Amendment) Act, 1951 (Act No. VI of 1951).

(2) Section 2 was amended and a new Section 27 was added to the Mysore Sales-tax Act, 1948, by the Mysore Sales-tax (Second Amendment) Act, 1952 (Act No. V of 1952), consequent on Article 286 of the Constitution of India.

(3) Rule 1 of the Rules for the computation of turnover was amended under Notification No. Fl. 1—S.T. 8-50-12, dated 1st April 1951.

(4) Rules 8 and 11 were also amended.

(5) Reduced rate of license fees was granted in the case of Charka Silk reelers for dealing in silk yarn reeled by them.

(6) Reduced rates of tax were granted to dealers in mutton, eggs, fruits, vegetables, flowers and fresh milk.

(7) Exemption from additional sales-tax was granted to the sales of tractors and accessories.

(8) Exemption from sales-tax was granted to the sale of Ballot Boxes to be used for purposes of election to the House of the People and to the House of State Legislature, sales of silk-worm eggs by aided graineurs, and silk-worm cocoons by cocoon rearers and also to contracts for the construction of earthen roads and contracts of earthwork.

REVENUE AND FINANCE

Dealers.

459. Out of 21,175 (21,924) registered dealers, 12,648 (12,221) were assessed to tax and 5,419 (4,116) were pending assessment. The amount of registration fees collected was Rs. 1,16,829 (Rs. 1,09,375).

Licenses.

460. The number of licenses issued or renewed during the year was 1,498 (1,047) and the amount of license fee collected was Rs. 3,27,649 (Rs. 2,42,763).

Finance.

461. The total net demand, collection and balance were Rs. 1,69,56,209, (Rs. 1,67,88,320), Rs. 1,21,60,975 (Rs. 1,26,28,771) and Rs. 47,95,237 (Rs. 41,59,549), respectively. A sum of Rs. 28,641 was collected in the shape of fines and penalties.

Appeal petitions.

462. There were 2,089 (2,075) appeals and 740 (233) revision petitions to be dealt with. Of these, 1,928 (1,997) appeals and 492 (151) revision petitions were disposed of, leaving a balance of 161 (78) appeal petitions and 248 (82) revision petitions at the close of the year.

Prosecutions.

463. Out of the total of 904 prosecutions, 372 (208) were withdrawn, 69 (28) were acquitted and 328 (196) were convicted, leaving a balance of 135 at the end of the year.

464. The total number of offences of all categories under section 20 was 415 (1,253) including pending cases at the beginning of the year. In 52 (368) cases, the parties were let off with a warning. Three hundred and eighteen (877) cases were compounded, leaving a pendency of 45 (8) cases at the end of the year.

465. A sum of Rs. 6,62,876 was allowed as rebate under Section 8 of the Act and the claims pending in 47 cases amounted to Rs. 4,46,404.

466. In 472 cases involving an arrears of Rs. 1,73,496, the assistance of the Revenue Department was sought for the realisation of arrears under the provision of Section 11 (2) during the year. In 94 cases, a sum of Rs. 23,970 was collected.

467. Three hundred and forty-one cases were re-opened on the ground of under assessment or escapement of assessment under Rule 34 which brought in a revenue of Rs. 84,914. There were 30 cases of rectification of mistakes under Rule 35 of the Act.

468. The system of licensing was being availed of by dealers. Penalty licenses were issued in cases where